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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Applications for Consent to the Transfer	)	
of Control of Licenses and Section 214	)	
Authorizations from	)	
	)	CC Docket No. 98-141
AMERITECH CORPORATION,	)	
Transferor	)	
	)	
to	)	
	)	
SBC COMMUNICATIONS INC.,	)	
Transferee	)	

COMMENTS OF THE ASSOCIATION FOR LOCAL TELECOMMUNICATIONS SERVICES

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Summary of Argument

While ALTS is confident that the Commission undertook discussions with applicants with the goal of securing additional market opening conditions, the proposal, as submitted by the Applicants, contains such ambiguity and so many limitations that it is not likely to accomplish that goal. Many of the conditions only provide assurance that the Applicants will comply with the requirements of the Communications Act of 1996, the Commission orders implementing the Act, or their prior commitments. Other conditions actually require less of the Applicants than existing state or federal law. And, the remedies that are provided are not sufficient to even assure that the Applicants will comply with the conditions as proposed.

The Commission needs to make certain that Applicants are not able to hide behind any conditions or use them as an end run around federal or state rules. Along these lines, it is important that the Commission recognize that whatever positions it takes on these conditions, Applicants and other ILECs will argue that any requirements over and above those adopted here need not be satisfied. ILECs will adopt the position that the conditions adopted are all that is required in any area. Thus, the Commission has to be careful not to lower the requirements or adopt any conditions that arguably would lower the bar on compliance with the market opening provisions of the Act. The Commission should, instead, insist upon the best practices that have been adopted in any jurisdiction and seek the maximum market opening provisions possible.

There are a number of areas in which the conditions must be clarified and/or strengthened if they are to have any real effect on competitive provision of service. ALTS identifies a number of ways that the Commission could make the conditions more meaningful.

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The Association for Local Telecommunications Services ("ALTS"), pursuant to Public Notice DA 99-1305, released July 1, 1999, hereby files its comments on the package of proposed conditions submitted by Ameritech and SBC Communications ("Applicants" or "SBC/Ameritech") in connection with their application to transfer licenses and authorizations.

ALTS recognizes the substantial efforts that the Commission has made in meeting with the Applicants to discuss conditions that would ensure that the transfer sought is in the public interest and supports any action that helps to ensure that the Applicants open their markets to competition. We are confident that the Commission staff undertook these discussions with Applicants with that goal in mind. At the same time, as written, the proposed conditions contain such ambiguity and/or limitations that they likely will not accomplish that goal or even the

principles articulated in the summary that was released by the Commission on June 30, 1999.[1] It is clear that Applicants continue to attempt to do as little as technically or legally possible to implement the Telecommunications Act of 1996 and the Commission orders issued pursuant to the Act.

There are a number of areas in which the conditions must be clarified and/or strengthened if they are to have any real effect on competitive provision of service. The Commission must not allow the Applicants to use this proceeding continue to stymie efforts to open their markets to competition. The clarifications and modification to the conditions that ALTS identifies below are technically feasible, can be implemented in a reasonable amount of time, and are in the public interest.[2]

I. GENERAL PRINCIPLES

Prior to addressing the specifics of the proposed conditions, a couple of general observations are in order. First, the proposed conditions are primarily conditions subsequent to the merger. While there are a number of actions to which Applicants have agreed that would take place before the merger, they are generally non-substantive and preliminary to taking actions that would actually influence the provision of competitive service. For example, by the

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[1] See summary of SBC/Ameritech Proposed Conditions (June 29, 1999), available on the FCC website at: http://www.fcc.gov/ccb/Mergers/SBC_Ameritech/conditions062999.html.

[2] As a procedural matter, ALTS believes that the Commission erred in not making the process of negotiating conditions more open. Had the CLECs been more involved in the earlier stages of the crafting of these conditions, a consensus might have been reached as to the appropriate conditions, rather than the position that we find ourselves in today. The Applicants have submitted a set of conditions that they treat as a *fait accompli*, even though the Commission has sought comment on the conditions and it is clear that the conditions have not been reviewed by all the Commissioners.

Merger Closing Date, the Applicants have agreed to provide the Commission with an OSS Process Improvement Plan. All the actions that need to be taken to comply with the Plan, however, are scheduled for after the Merger Closing Date. Without question, it is preferable from an enforcement viewpoint, if nothing else, to have the principle conditions satisfied prior to the Merger Closing Date. Even if the remedies for non-compliance were sufficient (and ALTS does not believe they are) the history of post-merger condition compliance has not been good.[3] The most effective way of ensuring that the conditions are satisfied would be for the Commission to insist that the major substantive provisions be satisfied prior to the Merger Closing Date. That is ALTS' preference; if, however, the Commission does not insist on the majority of the conditions being satisfied pre-merger, it is absolutely critical that the remedies provided be strengthened.

The announcements at the Commission and statements by the Applicants tout the enforcement and remedies sections of the proposed conditions and indicate that the conditions are "backed by stiff penalties" for which the companies will be "strictly liable."[4] Applicants have stated that if all the potential penalties were imposed, they could exceed $2 billion dollars. ALTS appreciates the Commission's desire to have self effectuating remedies and the history of the past three years shows that there are few incentives for the ILECs to open their markets to competition. A monetary remedy for noncompliance with the conditions and for failure to

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[3] There are several Section 208 complaints pending before the Commission relating to actions that Bell Atlantic/Nynex have taken since their merger in 1997. Although the Commission has not completed its review of the companies' compliance with the merger conditions CLEC comments reflect significant issues remain. See Public Notice DA 99-296 (released Feb. 5, 1999).

[4] See summary of SBC/Ameritech Proposed Conditions (June 29, 1999), note 2 supra.

provision services to the CLECs is entirely appropriate. However, no one should take great comfort that the penalties contained in the proposed conditions will in fact have their intended effect.

The penalties for failure to meet the performance parity and benchmark measures are often so low that they provide no incentive at all.[5] And, the larger penalties that might be applicable, for example, for failure to implement OSS system improvements are extremely unlikely ever to be imposed. That is because the penalties attach only if 1) the Applicants fail to send a letter to the Commission stating that they have complied with the requirements, or 2) after the Applicants have sent such a letter to the Commission, a CLEC complains that Applicants, in fact, have failed to comply, the CLEC (or CLECs) are willing to pay 50 percent of the cost of a "consolidated binding arbitration," and the arbitrator determines that in fact the Applicants have not complied with the requirements. It is not likely that CLECs with limited resources will volunteer to pay 50 percent of the costs of arbitration, particularly when there is no possibility of the CLEC obtaining any of the potential payment that the ILEC would make for noncompliance[6] and when the arbitration would be before an arbitrator selected by the Applicants. Therefore, it is highly unlikely that the "voluntary payments" of $100,000 per business day for failure to deploy the system interfaces and enhancements would ever be paid. The remedies must be more

[5] The remedy for failure to meet a collocation provisioning date can be as low as $75. In addition, Applicants have proposed a total cap on payments and a 10% cap on payments to any one CLEC. Once either cap is reached, Applicants would have no incentive to improve service.

[6] If monies were ever paid by SBC/Ameritech they would be paid to a public interest fund designated by the Commission.

meaningful.[7]

Another aspect of the proposed conditions that is troubling is the time for which some of the conditions will be operative. ALTS recognizes that there may be valid reasons to sunset some requirements after a period of time, but many of the conditions contain a compliance period that is too short to accomplish the stated purpose or sunset at a date certain even though the requirements do not start at a date certain.[8] In addition, there are conditions that sunset that should never sunset. For example, it makes no sense to require the Applicants to install and provide new cable in multi-tenant buildings in a manner that will permit the CLECs a single point of interface for only three years. And, in fact, such a sunset provision would violate the Commission's rules.[9] And, in no event, should the remedies relating to the performance parity plan terminate 45 months after the merger closing date.

Fourth, the Commission needs to make clear that any conditions adopted are not a substitute for stronger existing or future FCC or state rules implementing the Telecommunications Act of 1996. [10] There are a number of areas in which the proposed

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[7] For example, the remedy for failure to meet a collocation or other date should be the forfeiture of the nonrecurring charge or some relatively large portion of the non-recurring charge. The amount of remedy for the failure to meet the OSS improvement deadlines need not necessarily be increased but the process for imposing the remedy needs to be changed. The Applicants should not be able to choose the arbitrator and the CLEC should only have to pay some of the costs if the arbitrator finds that the Applicants have satisfied their commitments.

[8] See the discussion of the proposed sunset or the Advanced Services affiliate requirement, infra.

[9] See Section XII infra.

[10] ALTS notes that despite the claims of Applicants that the "conditions go well beyond the requirements of the Telecommunications Act of 1996" many of them only provide evidence that the Applicants will comply with the requirements of the Act, the Commission orders implementing the Act, or their prior commitments. Applicants' agreements to abide by the

conditions are not as stringent as the current federal and state rules and, in the future as technology changes, there may be rule changes that will place different, perhaps more stringent, requirements on the Applicants. The Commission needs to make certain that Applicants are not able to hide behind any conditions or use them as an end run around federal or state rules.[11] Along these lines, it is important that the Commission recognize that no matter what positions it takes on these conditions, Applicants and other ILECs will argue that any additional requirements need not be satisfied. ILECs will adopt the position that the conditions adopted are all that is required in any area. Thus, the Commission has to be careful not to lower the requirements or adopt any conditions that arguably would lower the bar on compliance with the market opening provisions of the Act. The Commission should, instead, insist upon the best practices that have been adopted in any jurisdiction and seek the maximum market opening provisions possible.

Finally, it goes without saying, of course, that the proposed conditions cannot affect the

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Commission's collocation rules and respond to Commission inquiries relating to the Applicants' compliance with the Commission's pricing rules fall into this category. These actions to implement the Act and Commission orders are long overdue.

[11] One area that ALTS has noted that the conditions do not provide as much protection as current federal rules is in the requirement relating to the provision of a single point of interface in newly constructed or retrofitted buildings (see Section XII infra). And, in the Section on the Advanced Services subsidiary, the Applicants state that they will comply with the Section 272 requirements "as interpreted on July 1, 1999" thus attempting to limit the Commission's ability to tighten the Advanced Services subsidiary rules in the future even if problems with the current Section 272 rules become evident as they are implemented. Because of the short time period for review of the conditions we have been unable to determine how many other areas there are in which the conditions seek to relieve the Applicants of various current or future requirements. Therefore, rather than attempting to change specific conditions, the Commission should establish the principle that none of the conditions can be viewed as a substitute for current or future Commission or state rules that are more stringent than the conditions. In no event should a merger lessen or alleviate an ILECs obligations to open their markets.

rights of CLECs under any negotiated or arbitrated agreement.

ALTS' comments on the specific conditions address the issues in the order in which they appear in the ex parte filed by the Applicants on July 1, 1999.

II. FEDERAL PERFORMANCE PARITY PLAN

Applicants have agreed to implement a "Federal Performance Parity Plan," which would be implemented in stages between August 1, 1999, and the date that is 12 months after the Merger Closing Date. This plan would implement 20 performance measurements based on some of the measurements developed in the Texas collaborative process and will require the Applicants to make payments to CLECs if the Applicants do not provide parity service or meet certain specified benchmarks. The requirement to make payments to CLECs for failure to provide parity service would attach between 9 months and 15 months after the Merger Closing Date and would terminate at 45 months after the Merger Closing Date. The liquidated damages and payments structure are based on a three-tiered system and the 20 performance measurements are categorized as being in either the High, Medium, or Low payment level. For example, in Tier 1 if the Applicants do not meet the benchmark for collocation due dates, the penalty payment is in the medium payment level and the Applicants would pay a $75 fee to the CLECs for each missed due date in the first month.

As the Commission is well aware, the refusal of ILECs to adopt any type of performance measures and reporting or to negotiate ordinary commercial enforcement provisions has been a contentious issue since the first interconnection negotiations.[12] Thus, ALTS is pleased that the

[12] In its initial comments in CC Docket 96-98, ALTS emphasized the need for normal commercial enforcement provisions in interconnection agreements and, in a petition for

Commission has recognized the need to provide performance information to the CLECs and that the Applicants have agreed to the principle that automatic damage payments should be made when the Applicants fail to provision services, collocation or UNEs in accordance with reasonable standards or the interconnection agreements themselves.

As with many of the other conditions, however, the Applicants proposal is too limited to be of much use. Applicants state that the performance measures proposed are based upon the performance measures developed in the Texas collaborative process.[13] Without any explanation, however, Applicants have proposed to provide information on far fewer than the performance measures that were adopted in the Texas collaborative. Adoption of the smaller number of performance measures would also result in remedies for poor performance by the Applicants on only a small fraction of the measures adopted in Texas. It appears that the Applicants have simply decided which of the measures they believe are the most important for the CLECs (or perhaps which are the easiest for them to provide) without explaining why the other measures

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reconsideration of the First Report and Order in that docket, ALTS asked that the Commission find that an ILEC's refusal to include ordinary commercial enforcement mechanisms in interconnection agreements constitutes a violation of the duty to negotiate in good faith. That petition is still pending. In addition, as the Commission is well aware LCI and Comptel filed a petition in 1997 asking the Commission to adopt performance measures and standard and rasing the issue of self-effectuating enforcement measures. The Commission itself issued a Notice of Proposed Rulemaking on performance measures and reporting requirements for Operations Support Systems, interconnection and Operator Services and Directory Assistance in 1998 (See CC Docket 98-56). That rulemaking is also still pending.

[13] We note that the description of the performance measures only addresses "SBT" or Southwestern Bell Telephone Company. We assume that this is due to the fact that the measures were lifted from the Texas proceeding. The Commission should, of course, require the Applicants to conform the wording to include all the SBC and Ameritech companies.

cannot or should not be provided.[14]

A number of states have looked at performance measures and remedies for ILEC failure to provide nondiscriminatory service or service that fails to meet a reasonable benchmark for quality and, to ALTS' knowledge, none have adopted measures and remedies as limited as those proposed here. In California, for example, SBC has agreed to, a list that is substantially broader than the performance measures Applicants have proposed here. While there are some differences

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[14] There are many performance measures that are vital to competition that are omitted. The following three items are simply illustrative of the gaps in the proposed performance measures. First, the measures relating to installation and repairs must not only count due dates missed but also the average installation and repair times. As the Commission recognized in its NPRM in CC 98-56, the average time of installation or repair could be quite different and there could still be no difference in the percentage of due dates missed. For example, if Applicants commit to completing repairs within 48 hours and the average repair for an Applicant's customer is two hours but the average repair time for a CLEC customer is 47 hours, it is possible that there would be no difference in the percent of due dates missed, but there certainly would not be parity in the provision of repair service. Therefore, Applicants should be required to collect and report information on average completion intervals.

Second, the measure on collocation is "percent missed collocation due dates" with the clock starting to run when the [company] receives payment from the CLEC and return of the proposed layout for space. An additional measure is absolutely necessary and the Commission should clarify the "missed due dates" measure. As the Commission is aware, one of the continuing problems that CLECs encounter is lack of response to an initial request for collocation. It would be relatively simple for the Applicants to measure the response time to initial requests. Another significant problem has been with incumbents stating that collocation space is ready when, in fact, the space is lacking some significant requirement. ILECs have delivered collocation spaces without needed DSX panels, power supply and fuses, or access cards. The Commission should make it clear that the measurement should not be based on just the date of delivery of the collocation arrangement but rather the date that the arrangement is actually complete per specifications.

Third, facilities-based CLECs often need a number of functionalities as a package. For example, a CLEC may order a loop, white pages listing, and interim number portability at the same time for a specific CLEC end user. These various functionalities should come together in a seamless way so that the customer obtains the entire service for which it contracted. Therefore, UNE performance measures must permit the statistical correlation of how the Applicants are provisioning all the functions needed for each CLEC order and provide CLECs with the ability to track all associated functionalities for a single CLEC end user order on a real time basis.

between the Texas and California plans either of those would be vastly preferable to the proposed conditions in this proceeding. Therefore, the Commission, rather than adopting the shortened list proposed here should adopt either the Texas or California plans. SBC has already agreed to each of those for its respective operating companies and we know of no reason why Ameritech could not comply with the same basic performance measures.

III. COLLOCATION COMPLIANCE PLAN

The Applicants state that prior to the Merger Closing Date they will file a collocation tariff and shall "retain one or more independent auditors to . . . [attest that the tariff complies with the Commission's collocation rules]." In addition, Applicants state that they will "propose an independent auditor to verify their compliance with the Commission's collocation requirements for the first eight months after the Merger Closing Date. The collocation audit procedures required by the proposed conditions would be formulated in consultation with Commission staff, but Applicants state that "Commission approval of the requirements or changes thereto shall not be required." Finally Applicants propose that the collocation audit they propose "shall be in lieu of any other audit of Applicants' compliance with the Commission's collocation requirements during the 12 months after the Merger Closing Date . . . ."

ALTS supports the principle of an audit to verify that the Applicants are complying with the Commission's collocation rules but the audit as proposed by Applicants is too limited to be of much value. As the Commission is well aware collocation provisioning and costs have been a major impediment to competitive provisioning of service. The Commission's collocation rules adopted four months ago should go a long way to solving many of the cost and timing problems

if properly implemented[15] because the new rules mandate methods of collocation (*e.g.*, cageless) that should take significantly less time and cost less to provision. At this time, however, the members of ALTS have not yet seen any significant improvement in the time from when an initial collocation request is made to the provisioning of collocation since the adoption of the new collocation rules.[16]

An eight month audit of the collocation practices of the Applicants is much too short to determine whether the Applicants are in fact complying with the new collocation rules. ALTS suggests, instead, that the audit cover a period of 18 months so that the Commission and interested parties can make a more thorough determination of whether the Applicants are complying with the Commission's amended rules and whether its recent amendments to the rules have had the desired affect. In addition, the Commission should not abrogate its responsibilities by allowing the Applicants to dictate the course of the audit. The scope and boundaries of the audit must be established by the Commission and interested parties must be given an opportunity to comment on the results of the audit.

IV. OSS: ENHANCEMENTS AND ADDITIONAL INTERFACES

Applicants state that no later than the Merger Closing Date, they will provide the Commission an Operations Support Systems ("OSS") Process Improvement Plan assessing the

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[15] One area that is not covered by the new collocation rules is the significant delay that has sometimes occurred between the initial request to obtain collocation space and the ILEC response to that request. Thus, the performance measure should calculate the time of response and compare that to a reasonable benchmark.

[16] In fact, in Texas, SBC proposed to implement the FCC's new cageless requirement by building a cage around its own facilities and charging competitors for that cage. The net result would be very little, if any, change in the time or expense of collocation for competitors.

existing OSS and identifying OSS changes that are needed to implement the commitments identified in the proposed conditions. Primarily these commitments are to develop and deploy within 24 months of the Merger Closing Date in all states, except Connecticut,[17] commercially ready, uniform application-to-application interfaces using standards and guidelines formulated by the Alliance for Telecommunications Industry Solutions ("ATIS"), uniform graphical user interfaces that support the pre-ordering, ordering, provisioning, maintenance/repair and billing for resold services, UNEs and UNE combinations "that meet the requirements of [the proposed conditions]," and enhancements to the existing Datagate or EDI interfaces for pre-ordering xDSL and other Advanced Services components."[18]

The proposed conditions include a schedule and time line for the development of the OSS improvements. Very generally, the Applicants would be required to adopt a plan of action within five months of the Merger Closing Date, and then to work collaboratively with CLECs to obtain written agreement on the OSS interfaces and business requirements identified in the plan within a month of adoption of the plan. The third phase of the plan is the development and deployment of the processes within 18 months after completion of Phase 2. With respect to both Phase 1 and Phase 3, applicants state that within three business days after the "target date" they will file a notice with the Commission regarding satisfaction of the target. SBC and Ameritech purportedly agree to pay $100,000 per business day in voluntary payments to a public interest fund

[17] Many of the proposed conditions apply differently, or at a later date, to Connecticut. Perhaps there are technical reasons for this, but none are indicated in the proposed conditions and Applicants should, at the very least, explain why there are so many exceptions for Connecticut.

[18] As indicated below, the commitment to deploy the OSS enhancements within 24 months is not meaningful and the dates are very likely to slip.

designated by the Commission for failure to meet the target date. For small CLECs[19] Applicants have agreed to designate and make available one or more teams of OSS experts dedicated and empowered to assist small CLECs with OSS issues. These experts will be available to give the small CLECs training in the OSS systems.

Finally, Applicants state that for a period of three years they will eliminate all charges for use of its standard electronic interfaces for accessing OSS that support pre-ordering, ordering, provisioning, maintenance/repair and billing of resold services and UNEs.

The procedure proposed for implementing any enhancements to the Applicant's OSS is unlikely to produce the significant improvements that competitive carriers need to conduct their businesses. The Applicants have allocated only one month to come to agreement with all CLECs (and to put the agreement in writing) as to what enhancements are necessary. If agreement cannot be reached within the one month time frame then the commitment to implement enhancements within 24 months is delayed. It is very unlikely that the enhancements will be implemented within the 24 month period. We recognize that the Applicants should not be expected to agree to a firm date if they do not have absolute control over the Phase 2 timing. At the same time a more reasonable schedule would be one that allowed three or four months for phase 2, and nine to twelve months for phase 3, the implementation phase.[20] Applicants have

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[19] "Small CLECs" are generally defined as those that have less than $300 million in total annual telecommunications revenues, excluding revenues from wireless services.

[20] In addition, the enhancements to the existing Datagate or EDI for pre-ordering xDSL and other Advanced Services components are proposed to remain in effect for only three years after deployment. Applicants propose that they shall provide CLECs with 12 months advance notice of any plans to no longer make the enhancements available. (Paragraph 16 (c)). It is unclear why Applicants propose to be able to eliminate the enhancements after three years. Certainly, if the enhancements are satisfying the needs of the CLECs, the CLECs should have the ability to continue to use them.

been on notice for several years that their OSS systems were inadequate. Giving them twelve months for implementation of improvements is generous. The OSS enhancements should then be subject to third party testing to ensure that they are scalable and workable in a commercial environment.

In addition, the Commission should not accept the Applicant's proposals relating to resolution of disputes between the Applicants and CLECs as to the enhancements to be made. Applicants propose that when agreement cannot be made within a month they will submit the disputed issues to the Chief of the Common Carrier Bureau who would be required to select an arbitrator only from a list supplied by Applicants. And, as noted above, the CLECs involved would be required to pay for 50 percent of the arbitration costs when they would have absolutely no say in the arbitrator or the procedures to be used. This is a recipe for disaster.

Finally, it should be noted that the commitment to waive OSS charges appears to be of no consequence. Applicants specifically state that this condition does not affect their right to recover the costs of developing OSS through the pricing of UNEs or resold services. Applicants will be able to recoup their costs, just not with a separate charge.

V. xDSL AND ADVANCED SERVICES DEPLOYMENT

Applicants have agreed to offer uniform interim rates for conditioning xDSL loops when such conditioning is requested. The rates provided in Attachment C are extremely high and will not promote competitive provision of advanced services. For example, for a loop that is less than 12,000 feet, the charge for removal of all repeaters is $360, the charge for the removal of all bridged taps is $600 and the charge for the removal of all load coils is $980.

The charges included in Attachment C are significantly higher than in many areas of the

country today, including some SBC states.[21] The charges admittedly are less that what CLECs are paying today in some states in the Ameritech region, but that fact is not probative of the actual costs incurred. ALTS recognizes that removal of repeaters, bridged taps, and load coils involves the dispatch of technicians into the field. Nonetheless, the charges included in the Attachment could not be based on the actual cost to the Applicants unless it takes significantly more than a day to remove the repeaters, bridged taps and load coils. In addition, the charges in Attachment C clearly do not take into account the fact that it would be highly unusual for a technician to work on only one line at a time. In all likelihood the technicians would work on a number of lines and the economies of scale would significantly reduce the per line costs. Thus, the Commission should not accept the charges that are contained in Attachment C and should require the Applicants to file tariffs and submit cost studies prior to the Merger Closing Date.[22] If for some reason that is not possible, the Commission must include a true-up provision for the line conditioning charges.

The Applicants have also committed to provide CLECs with nondiscriminatory access to the loop pre-qualification information (*i.e.*, information on the length of the "theoretical loop") and loop qualification information (*i.e.*, whether the loop contains bridged taps, load coils or repeaters). However, the details provided in paragraphs 21 through 23 are written in such a way

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[21] Under TELRIC principles there likely would be no loop conditioning charges. ALTS recognizes, however, that the Commission has stated that requesting carriers would bear the cost of the conditioning of loops. See First Report and Order in CC Docket 96-98. In no event, however, should a requesting carrier be required to bear anything above the actual costs incurred by the Applicants.

[22] And, of course, under the non-discrimination principles, if the ILEC charges the non-affiliated CLEC a loop conditioning charge, it must charge the same loop conditioning charge to its affiliated advanced services subsidiary.

as to make it difficult to discern whether sufficient information will be given to nonaffiliated CLECs and whether in fact information (particularly with respect to whether the loop contains bridged taps, load coils or repeaters) would be forthcoming in a nondiscriminatory manner. The "theoretical" loop length information that Applicants would provide does not give an accurate estimate of the loop length of individual addresses even though the information is given on an "individual address basis.[23] Thus, the loop length information is not sufficient information to enable CLECs seeking to provide xDSL services to assess the feasibility of providing the service on an individual customer basis. As indicated in the ex parte filed by ALTS on May 14, 1999,[24] the Applicants should make available to requesting carriers continuous (24 hours per day, seven days a week) electronic access to all the relevant data in the Applicant's possession to allow competitors to determine the feasibility of the provision of service to each individual location on a timely basis.[25]

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[23] There are several ways of calculating the theoretical loop length. However, none of them are very accurate. CLECs need full information on loop qualification - - including gauge, length, bridged taps, etc., -- in the pre-order stage.

[24] See Letter from Jonathan Askin to Magalie Roman Salas, Secretary, FCC, in CC Docket 98-141 (May 14, 1999).

[25] As noted in the ALTS letter:

> The database shall permit the real-time retrieval of both location specific loop capability information (including, but not limited to xDSL capable loops) and aggregate market information. Location specific loop capability shall include: actual loop length . . .; the presence of load coils, bridge taps (including the length of the bridge tap), and repeaters (and how many and what type of each); the presence of any other known digital interferers (including digital added main lines); whether the location currently is served by facilities where the feeder portion is served by fiber or that transmit through a digital loop concentrator (DLC) or other loop concentration devices; the availability of alternate facilities that could circumvent the DLC . . . and any other binder group restrictions that might hinder the placement of a particular xDSL technology. Aggregate market

VI. STRUCTURAL SEPARATION FOR ADVANCED SERVICES

Applicants propose to provide Advanced Services (defined as "wireline, telecommunications services such as ADSL, IDSL, xDSL, Frame Relay, Cell Relay and Dial Access Service that rely on packetized technology and have the capability of supporting transmission speeds of at least 56 kilobits per second in at least one direction") through one or more affiliates to be established prior to the Merger Closing Date. The provision of Advanced Services by the affiliate would not begin, however, until after receipt of state approval of interconnection agreements and any necessary state certification. The affiliate requirement sunsets at the latest three years after the Merger Closing date.

Applicants state that with the exceptions noted below, the Advanced Services affiliate would operate with the structural, transactional and nondiscrimination requirements that would apply to a separate affiliate's relationship with a BOC under 47 U.S.C. § 272(b),(c),(e) and (g).[26] The exceptions would allow the Advanced Services affiliate to 1) collocate employees with any SBC/Ameritech incumbent LEC; 2) use the incumbent LEC's name trademarks or other service marks, 3) jointly market their services with the services of the ILEC on an exclusive basis

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information shall include: average loop length of all loops connected to a specific central office; the percentage of loops that are less than 6,000, 12,000 and 18,000 feet; the percentage of loops currently residing behind fiber, a DLC, or other loop concentration device; and the percentage of loops that contain interferers . . . ."

[26] Those provisions of Section 272 and the Commission rules implementing them relate to the degree of structural separation between the parent and affiliate (e.g., Paragraph (b) requires that there be separate employees and that the subsidiary may not obtain credit under any arrangement that would permit the creditor to seek recourse from the parent), nondiscrimination safeguards (*e.g.*, Paragraph (c) provides that a BOC shall account for all transactions with an affiliate . . . in accordance with accounting principles designated or approved by the Commission), and joint marketing.

(including the transfer of ILEC customers to the affiliate and the provision of operations), 4) obtain installation and maintenance services by the incumbent LECs on a nondiscriminatory basis, 5) separately own facilities or network equipment used to provide Advanced Services (*e.g.*, DSLAMs),[27] and 6) obtain "interim line sharing . . . on an exclusive basis . . . prior to the time that line sharing can be [generally provided pursuant to the proposed conditions]."

The issue of whether an ILEC affiliate may legally provide Advanced Services immune from the requirements of Section 251(c) has been thoroughly briefed in the Advanced Services docket and will not be reiterated here.[28] If, however, the Commission decides that the a "separate subsidiary" for the provision of Advanced Services is in the public interest and decides to accept this portion of the proposed conditions, there are a number of steps that must be taken to strengthen the affiliate requirements and ensure sufficient separation between the parent and the subsidiary to promote an effective competitive market.

First, it is not at all clear how long the separate affiliate requirement will be effective. As noted above, the requirement that Advanced Services be provided through the affiliate do not take effect until state approval of the interconnection agreements and any necessary state certification has been received. But the affiliate requirement sunsets three years from the Merger Closing Date. The Commission should make sure that any sunset is from a date certain, not from a date that is not within the control of the Applicants and that in fact could be a long time after

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[27] The incumbents would be allowed to transfer to the Advanced Services affiliate any Advanced Services Equipment during a grace period that would run from July 1, 1999, until the date that is six months after the date that the Commission issues a final order in the UNE remand proceeding. As explained below, the transfer of these assets must be made subject to the affiliate transaction rules in 47 C.F.R. § 32.27.

[28] See Comments of ALTS in CC Docket No. 98-147 (submitted Sept. 25, 1998).

the Merger Closing Date.

The theory behind a separate subsidiary is that if the parent is forced to treat its competitive subsidiary the same as all other competitors and at arms length, innovation will be stimulated. The most significant issue before the Commission whenever a separate subsidiary has been considered is the extent to which the subsidiary must be separated from the parent. If the theory is correct, the greater the separation, assuming the parent still has adequate monetary investment in the subsidiary, the greater the benefit to competition and innovation. As noted above the separation proposed by the Applicants is less stringent than the separation required under Section 272 of the Telecommunications Act of 1996 for the RBOC provision of interLATA service.

At the very least the separation of the Advanced Services affiliate should satisfy the Section 272 requirements. And, in fact there are compelling reasons why an Advanced Services affiliate should satisfy even more stringent separation requirements than an interLATA affiliate. First, of course, the Section 272 requirements for an interLATA affiliate do not even come into play until the 14 point checklist of Section 271 has been satisfied. The reason that the Commission is considering the conditions proposed by SBC/Ameritech is precisely because the market-opening provisions of Section 251 and 252 (and consequently the fourteen point checklist) have not been satisfied in the SBC and Ameritech regions. Second, the Section 272 requirements relate to the provision of interLATA service. InterLATA service is not subject to the Section 251(c) market-opening requirements, whereas the Commission has already established that the Section 251(c) requirements apply to Advanced Services.

In light of the above, the Commission ought to insist that all the Section 272 statutory and regulatory safeguards apply to the Advanced Services. Thus, the exceptions in Paragraph 27

of the proposed conditions must be eliminated. These include the exceptions for joint marketing of services and the provision of operations, installation, and maintenance ("OI&M") services.

In addition, the Commission should insist that the affiliate transaction rules contained in Section 32.27 of the Commission's Rules apply to the transfer of assets from the Applicants to the subsidiary. The Commission has previously tentatively concluded that those rules should apply if there is a transfer of assets or equipment between an ILEC and an advanced services affiliate and the Commission should not retreat from that position here.[29]

Finally, the Commission should require an audit of the subsidiary-parent transactions and relationship to ensure that in fact there is an arms length relationship. The Applicants should be required to submit to the Commission an audit plan prior to the Merger Closing Date, which will detail the audit to be made. The audit should cover at least the first 18 months of the operations of the Advanced Services affiliate.

VII. PROVISIONING LINE SHARING

One of the most important conditions for CLECs and particularly those CLECs that seek to provide xDSL-based services is the commitment of the Applicants to provide line sharing "[a]t such time as: (a) it becomes technically feasible . . . and in a manner that permits multiple CLECs to have access to a high frequency channel riding over the same loop as an SBC/Ameritech incumbent LEC-provided voice grade service, and (b) the equipment to provide such line sharing becomes available, based on industry standards, at commercial volumes . . . ."[30]

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[29] See Deployment of Wireline Services Offering Advanced Telecommunications Capability, CC Docket 98-147, at para. 111 (NPRM rel. Aug. 7, 1998).

[30] We note that the proposed conditions state that line sharing will be provided when "multiple" CLECs can have access to a high frequency channel. It is unclear why the qualifier "multiple" has been included. It is generally accepted that it is now technically feasible for a

Applicants have committed to provide line sharing on a non-discriminatory manner to both the Advanced Services affiliate and unaffiliated providers.

At the same time, despite the general agreement to provide line sharing on a nondiscriminatory basis, Applicants propose that they may provide interim line sharing capability to the Advanced Services affiliate prior to the time that line sharing is generally available. During that time the affiliate must pay a surrogate charge for the cost of the loop that shall be 50 percent of the lowest monthly recurring charge. In any state where the Applicants provide interim line sharing to a separate Advanced Services affiliate, the Applicants have agreed to charge competitors the same surrogate charge. Thus, data CLECs would, even if line sharing were not yet available, not be required to pay the full cost of the loop when the affiliate is not paying the full cost of the loop. At the same time, Applicants have sought to limit the applicability of the surrogate charge by stating that the unaffiliated provider must not use the unbundled loop to provide any voice grade service. This is inconsistent with the principle behind the surrogate charge and would be inefficient. The surrogate charge is meant to place the competitors and Advanced Services affiliate on the same footing until line sharing is generally available, in other words until carriers can obtain access to only the high frequency channel instead of the entire loop. Thus any limitation should be on the use of the channel not the service that can be provided over the loop.

Line sharing makes the most sense for CLECs and ILECs as a practical matter when the

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CLEC to have access to a high frequency channel while an ILEC provides voice-grade service over the same loop. See First Report and Order and Further Notice of Proposed Rulemaking in CC Dkt 98-147 (rel. March 31, 1999) at para. 97. The Applicants should clarify that line sharing will be available when it is technically feasible for two carriers to share the line, not two or more CLECs and an ILEC.

CLEC wants to provide high speed data services but is not in the business of providing POTS. Therefore, ALTS has consistently urged the Commission to implement a line sharing requirement as soon as possible.[31] At the same time, until line sharing is has been ordered ubiquitously, the surrogate charge appears to be an adequate substitute, as long as the Commission deletes the condition that the line cannot be used to provide voice service.

VIII. UNBUNDLED NETWORK ELEMENTS

Applicants have agreed to continue to provide unbundled network elements ("UNEs") in accordance with the commitments that they made to the Commission shortly after the Supreme Court remand in the Iowa Utilities Board case.[32] Those commitments are to continue to provide unbundled network elements in accordance with existing local interconnection agreements until the Commission determines in the UNE remand proceeding which elements are required to be provided.

The Applicants make no reference to UNE combinations except in reference to the offering of a promotional UNE platform in paragraphs 48 and 49 of the proposed conditions. The Commission should require that the Applicants offer the Enhanced Extended Loop (also known as the "Enhanced Extended Link" or "EEL") at TELRIC prices as a UNE. As the Commission knows, the EEL is a simple combination of a loop and a dedicated voice grade

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[31] See Comments of ALTS in CC Dkt. 98-147 (filed June 15, 1999).

[32] See Iowa Utilities Board v. FCC, ___ U.S. ___ (1999). Shortly after the Supreme Court remanded to the Commission for further consideration of its rule identifying specific UNEs that must be provided pursuant to Section 251(c) of the 1996 Act, all of the RBOCs and GTE sent letters to the Chief of the Common Carrier Bureau generally agreeing to continue to provide the UNEs that it had been providing until the Commission is able to conclude the remand proceeding. See Letter from Dale Robertson and Sandy Kinney, SBC, to Lawrence E. Strickling, Chief, Common Carrier Bureau, FCC (Feb. 9, 1999) and Letter from Barry K. Allen, Ameritech, to Lawrence W. Strickling, Chief, Common Carrier Bureau, FCC (Feb. 11, 1999).

interoffice transmission channel. The EEL allows a facilities-based competitor to use its own switch and its own network to bring business and residential customers onto the CLEC's network without having to incur the expense and delay of having to collocate in every ILEC central office in the region. The EEL conserves and more efficiently uses the dwindling ILEC collocation space and speeds competitive provision of service to the market.

The EEL has been required to be provided by the New York PSC and the Texas PUC and the Commission should require the Applicants to file tariffs offering the EEL at TELRIC prices (and without any non-recurring charges, "glue charges", artificial point of combining the individual elements, or geographic restrictions).

IX. CARRIER-TO-CARRIER PROMOTIONS

Applicants have agreed to offer a number of what they call "carrier-to-carrier promotions" purportedly as an additional incentive for residential local exchange service competition. These promotions include a discount on the monthly recurring charges for unbundled local loops to reflect an average 25 percent discount across all SBC and Ameritech states. Competitors seeking to resell SBC/Ameritech residential service would receive a 32 percent discount from retail rates. Both these discounts would be limited to a relatively small percentage of the operating companies lines and would last for two to three years.

There are a number of limitations proposed on the use of the discounted unbundled local loops. Of particular concern to the members of ALTS is a requirement that carriers requesting unbundled loops at a promotional discounted price shall agree that the loop shall be used to provide residential telephone exchange service and shall not be used to provide any Advanced Services (paragraph 46). This limitation should be deleted. While the discounts are offered in order to encourage residential competition it would be inefficient and anticompetitive to limit the

services that can be provided over a loop once it has been obtained.

X. MOST FAVORED-NATION PROVISIONS

The applicants have committed to providing "local service"[33] in 30 markets in which it currently does not operate as an incumbent LEC. In conjunction with that commitment, Applicants have agreed that "[i]f a CLEC affiliate of SBC/Ameritech obtains any interconnection arrangement or UNE from an incumbent LEC through arbitration . . . that had not previously been made available to any other CLEC by that incumbent LEC, then [Applicants'] incumbent LECs shall make available to requesting CLECs in their service areas . . . the same interconnection arrangement or UNEs. ALTS supports this condition but it would be far more meaningful if it were not limited to interconnection arrangements or UNEs that had not previously been available to any CLEC by that incumbent. The Applicant's ought to be required to provide any interconnection or UNE that it receives from another ILEC whether or not it had previously been available to other CLECs. In fact, a UNE or interconnection arrangement that has been made available to a number of CLECs is certainly more likely to be technically feasible than arrangements that have not previously been provided.

In addition, the proposed condition covers "any interconnection arrangement or UNE". That terminology appears to be significantly narrower than the terminology in Section 252(I), the statutory MFN provision. Under the statute, a LEC must make available "any interconnection,

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[33] "Local service" is not defined, but the proposed conditions state that the Applicants shall have fulfilled their commitment if, among other things, they provide "facilities-based local exchange service to at least one unaffiliated business customer or one non-employee residential customer in that market" and, within one year after the initial deployment deadline, they offer "facilities-based local exchange service to all business and residential customers served by wire centers in that market where Applicants are collocated." Proposed Conditions at 32.

service, or network element . . . to any other requesting carrier." 47 U.S.C, § 252(I). In order to give the Applicants' proposed condition any real meaning it ought to, at the very least, mirror the requirements of the Act and the Commission's rules.[34]

With respect to in-region agreements, the Applicants agree to make available to any requesting carrier in any state any interconnection arrangement or UNE in any other SBC/Ameritech State that was "voluntarily negotiated by SBC." Again ALTS supports this condition as far as it goes, but there is no reason to exclude arbitrated or mediated agreements or agreements to which Ameritech is a party. To have any real affect the Applicants should be required to make available any interconnection arrangement or UNE that either has been voluntarily negotiated by either Applicant, required pursuant to an arbitration decision or other ruling, or to which Applicants have opted in. In addition, the proposal is limited in a way that violates the intent of Section 252(I). Applicants seek to insert a requirement that the "requesting carrier accepts all reasonably related terms and conditions as determined in part by the nature of the corresponding promises between the parties to the underlying agreement." (Para. 52) Frankly, we are unsure of the meaning of this section, but it certainly could link various elements, terms and conditions in a way that Section 252(I) does not contemplate. The Act and the Commission's rules clearly contemplate a carrier requesting individual elements in an agreement, rather than all "related" elements, The Commission should clarify or delete that portion of the proposed condition.

XI. REGIONAL INTERCONNECTION AND RESALE AGREEMENTS

At the request of a CLEC, Applicants have agreed to negotiate interconnection or resale

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[34] Competitive carriers may, of course opt into entire agreements. Therefore, they should also be able to opt into an agreement for as many states as they wish or on a regionwide basis.

agreements "covering the provision of interconnection arrangements or UNEs in two or more states . . . that are Ameritech States or SBC States. Assuming that this requirement is meant to relieve the CLECs of some of the burden that has been placed on them when required to negotiate each term of each interconnection agreement in each state, ALTS would support the purpose of the condition. There are several changes that would need to be made, however, to give the condition any real meaning.

First, the Commission should clarify that the CLECs ability to negotiate regionwide agreements is not limited in any way. Again it is not clear what is meant by the phrase "covering the provision of interconnection arrangements or UNEs" but the Applicants must not be allowed to exclude any provisions that have traditionally been covered by Section 251-52 agreements. Second, there is a possibility that the phrase "that are Ameritech or SBC States" could be read to mean that a regional agreement would only cover the one region or the other. This could easily be remedied by inserting the term "and/or" in place of "and" between "Ameritech" and "SBC".

XII. ACCESS TO CABLING IN MUTLI-DWELLING UNIT PREMISES

Applicants have agreed to offer to conduct a trial with one or more interested unaffiliated CLECs in five large cities to identify procedures required to provide CLECs with access to cabling in multidwelling units (MDUs) where Applicants control the cables. In addition, for a period of three years after the Merger Closing Date, any time the Applicants are hired to install new cables in a newly constructed or retrofitted MCU, Applicants will install and provide the cables in a manner that will permit CLECs a single point of interface unless the owner objects.

Access to intra-building wiring is critical for the facilities-based delivery of competitive telecommunications options to consumers in multi-tenant buildings. The SBC/Ameritech proposals pay lip service to this requirement, but the details and schedule for implementation of

the trial and the commitment on new construction render the proposals inadequate. There is no basis for Applicant's overly cautions approach to implementation of a single point of interface ("SPOI") within multi-tenant buildings. The concept is hardly revolutionary. Indeed, within SBC's own region, it is required to maintain the functional equivalent -- it must locate the demarcation point at the minimum point of entry in all multi-tenant buildings in California.[35] And the Commission's own rules require SBC and Ameritech to relocate the demarcation point (and thereby permit a single point of CLEC interface) at the MPOE at the request of the building owner.[36] Therefore, Applicants should already be prepared to provide a SPOI in multi-tenant buildings. There should be no need for a trial period.

Moreover, the trial proposed by SBC/Ameritech is unlikely to have any meaningful effect on competitive options for consumers in multi-tenant buildings within the SBC/Ameritech region. For, example, the trial may be limited to only one commercial multi-tenant building in only one city in the entire expansive region that would be covered by the merged company.[37] In

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[35] See Pacific Bell, Applications 85-01-0034, 87-01-002, Decision 92-01-023, 43 CPUC 2d 115 (Cal. PUC, rel. Jan. 10, 1992). There are similar requirements in Minnesota and Nebraska. See In the Matter of the Deregulation of the Installation and Maintenance of Inside Wiring based on the Second Report and Order in FCC Docket 79-105, released Feb. 24, 1986, Docket Nos. P-999/CI-86-747 and P-421/C-86-743, *Order,* 1986 Minn. PUC LEXIS at *9-10 (Minn. PUC, Dec. 31, 1986); In the Matter of the Commission, on its own motion, to determine appropriate policy regarding access to residents of multiple dwelling units (MDUs) in Nebraska by competitive local exchange telecommunications providers, Application No. C-1878/PI-23, Order Establishing Statewide Policy for MDU Access, slip op. at 4 (Neb. PSC, entered March 2, 1999).

[36] Order on Reconsideration, Second Report and Order and Second Further Notice of Proposed Rulemaking in CC Dkt 88-57, 12 FCC Rcd 11897, at n. 104 (1997) (holding that for buildings in which wiring was installed prior to August 13, 1990, the carrier must move the demarcation point to the MPOE at the request of the building owner).move

[37] See Proposed Merger Conditions at ¶ 57(c) ("in at least one city, the trial shall include at least one MTU.").

addition, a good portion of the commercial multi-tenant environment is entirely ignored by the proposed trial. SBC/Ameritech defines an MTU as a "multi-tenant premises housing small businesses."[38] As proposed, the trail -- limited to residential buildings and 'MTUs" -- would exclude buildings that contain only medium-sized and large commercial tenants. There is no basis for such a limitation.

With respect to Applicants' offer to install wiring in newly constructed or retrofitted buildings to provide for an SPOI for a period of three years after the Merger Closing Date, we note that there already exists a Commission requirement to do just that.[39] Therefore, the limitation of three years would violate those rules and should be deleted.

Finally, the Commission should insist that the Applicants commit to making inside wire owned and controlled by them easily accessible on a nondiscriminatory and speedy basis.

XIII. MISCELLANEOUS

In addition to the conditions that SBC and Ameritech have crafted and the changes that the Commission should make to them, there are two other areas upon which the merger should be conditioned. First, the Commission should require that the Applicants agree that when a CLEC has requested customer service records to provision or convert an Applicant customer to the CLEC, Applicants will not use that information (i.e., the information that customer service records have been requested) to contact the Customer to attempt to prevent the customer from changing carriers or to attempt to win the customer back. This restriction would be limited; obviously after the customer has switched carriers there should be no prohibition against the

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[38] Id. at ¶ 57.

[39] See 47 C.F.R. § 68.3(b)(2) (for buildings in which wiring is installed after August 13, 1990, the demarcation point is located at the MPOE).

Applicants seeking to win back the customer.

Finally, Applicants should be required to comply with outstanding state orders and pay to CLECs any money due based on existing reciprocal compensation arrangements.

CONCLUSION

For the foregoing reasons, the conditions proposed by SBC/Ameritech should be modified in the following ways:

1. The Commission should ensure that the critical market opening conditions be satisfied prior to the grant of the transfer of control. If the Commission does not take this route it must strengthen the remedies for non-compliance to incent the Applicants to comply with the conditions.

2. The Commission must establish the principle that any conditions adopted are baseline conditions and that to the extent any existing or future federal or state rule requires additional actions by the Applicants, the conditions do not affect those requirements.

3. The Commission should adopt either the Texas or the California performance parity plans.

4. The Commission should establish the boundaries of a collocation audit covering a period of eighteen months.

5. The Commission should modify the procedure for implementing OSS enhancements so that CLECs are given a greater opportunity to voice their views. The implementation of OSS enhancements should be no longer than 9-12 months.

6. All arbitration procedures should be amended. Applicants should not be the sole source of arbitrators. CLECs should not be required to pay 50 percent of the cost of arbitration

when they have no say in the arbitrator or when, for example, they challenge the Applicants assertion of compliance and the arbitrator finds against the Applicants.

7. Applicants should be required to file tariffs and submit cost studies on loop conditioning charges prior to the Merger Closing Date, or the Commission must include a true-up provision.

8. Applicants should make available electronic access to all the relevant loop pre-qualification data in their possession.

9. Any Advanced Services affiliate must, at the very least, satisfy all the separation requirements contained in Section 272 of the Telecommunications Act of 1996 and the Commissions rules adopted thereunder.

10. The "affiliate transaction" rules contained in Section 32.27 of the Commission's rules must apply to the transfer of assets from the Applicants to the Advanced Services affiliate.

11. There should be an audit of the Advanced Services affiliate to ensure that the ILEC is treating its affiliate and all other carriers in a nondiscriminatory manner.

12. Applicants should be required to offer the Enhanced Extended Loop without any nonrecurring charges or restrictions.

13. Applicants should remove the limitations on the MFN provisions so that they are required to provide any interconnection, service or network element that a CLEC affiliate of SBC/Ameritech obtains from any ILEC through agreement, arbitration or mediation to any CLEC in any state or region.

14. Applicants should remove the limitations on the in-region MFN conditions so that it includes arbitrated or mediated agreements and agreements to which Ameritech is a party and should delete or clarify the phrase "and all reasonable related terms and conditions as determined

in part by the nature of the corresponding promises between the parties to the underlying agreement."

15. The Commission should clarify that the ability to negotiate regionwide agreements is not limited and the phrase "that are Ameritech or SBS States" should be amended to provide "that are Ameritech and/or SBC States."

16. Applicants should be required to relocate the demarcation point at the MPOE at the request of any certificated CLEC.

17. Applicants should commit to making inside wire owned and controlled by them easily accessible on a nondiscriminatory and speedy basis.

18. The Commission should require that the Applicants agree that when a CLEC has requested customer service records, Applicants will not uses that information to contact the Customer to attempt to prevent the customer from changing carriers.

19. The Commission should require Applicants to comply with all outstanding state and court orders relating to the payment of reciprocal compensation monies to CLECs.

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July 19, 1999

CERTIFICATE OF SERVICE

I do hereby certify that on this 19th day of July 1999, copies of the attached Comments of the Association for Local Telecommunications Services were in CC Docket No. 98-141 were served by first class mail, postage prepaid, or hand delivered as indicated, to the following parties listed below.

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